VF (PEC)
Brochures, pamphlets, etc.

PAY EQUITY AFFECTS YOU

If you are a
full-time or permanent
part-time employee

If you are an
employer in the public sector

If you are an
employer in the private sector
with 10 or more employees

THE
PAY EQUITY
COMMISSION

Ontario

As of January 1, 1988 employers in Ontario are legally bound to set up pay equity plans to make sure that their salary and wage scales are based on the *value* of work performed — regardless of the sex of the person doing the work.

Pay adjustments must be made if it is discovered that women are being paid less than men for work of comparable value.

Why do we need pay equity?

In 1986 the average salary for a full-time working woman in Ontario was $20,710.00. The average salary for a man working full-time was $32,120.00. That is a 36% difference between the rates paid to men and women. That difference is called the wage gap.

Studies have shown that nearly 1/4 to 1/3 of the wage gap results from so-called "women's" work not being valued or paid as highly as "men's" work. Pay equity, which will affect 87% of the working women in Ontario, seeks to eliminate this portion of the wage gap.

Doesn't Ontario already have equal pay laws?

Yes, but equal pay for equal work is not the same as pay equity.

Under equal pay for equal work, all employees performing similar jobs must be paid the same. For example, electricians in the same workplace must be paid the same, regardless of their sex.

Pay equity, on the other hand, requires employers to pay men and women the same for jobs that are different but are of similar value: a secretary and a groundskeeper, for example.

It's the difference between comparing apples with apples and comparing apples with oranges.

Who is covered by the pay equity legislation?

You are covered by the legislation if you are a full-time or permanent part-time employee or employer in the public sector.

You are also covered if you are a full-time or permanent part-time employee in a private sector company with more than 10 employees. All private-sector employers with 10 or more employees must comply with the legislation.

How soon must employers achieve pay equity?

All employers in the public sector (including hospitals, universities, school boards, and municipalities) and private firms with 100 employees or more must develop, post, and implement pay equity plans within a mandatory schedule.

Private firms with 10 to 99 employees are not required to develop and post pay equity plans. Nevertheless, they must achieve pay equity and are subject to complaints from employees if they do not.

Employer	Posting	Wage Adjustments Begin
Public Sector	Jan. 1, 1990	Jan. 1, 1990
Private Sector with 500 + employees	Jan. 1, 1990	Jan. 1, 1991
Private Sector with 100-499 employees	Jan. 1, 1991	Jan. 1, 1992
Private Sector with 50-99 employees	Jan. 1, 1992*	Jan. 1, 1993
Private Sector with 10-49 employees	Jan. 1, 1993*	Jan. 1, 1994

**Posting is voluntary for private sector employers with fewer than 100 employees.*

How can an employer decide that different jobs are of comparable value?

The first step is to determine job content by describing the skill, effort, responsibilities, and working conditions involved in a job. This may be done through examining job specifications, conducting interviews, distributing questionnaires or other methods.

The next step is for an employer to determine the value of each job to the organization. For example, an engineering firm may place a high value on technical skills while a retail store may stress "people" skills and product knowledge.

Once jobs have been described and the firm has determined what skills, effort, responsibilities and working conditions it values, the jobs can be evaluated using those criteria.

Let's take a secretary's job and that of a groundskeeper. While the secretary's job may require less physical effort and have better working conditions than the groundskeeper's, her job could require more responsibility, mental effort and skill.

If that is the case, the overall value of the secretary's job class could be the same as the groundskeeper's — and she should be paid the same.

How many pay equity plans are required?

Employers must develop pay equity plans for each bargaining unit and one for all non-unionized workers within an "establishment". By establishment the Pay Equity Act means all of the employees of an organization who work in a regional municipality, county or territorial district. Employers with branches in different geographical locations won't have to make job comparisons between one establishment and another. But they will have to set up separate pay equity plans in each establishment. Similarly, one employer will not have to compare pay equity plans with another employer.

Can employees dispute a pay equity plan?

In non-unionized workplaces, employees have 90 days after the mandatory posting date to submit comments or complaints to the employer about a pay equity plan. No more than seven days after the 90-day posting period has ended, employers must display a notice stating whether the plan has been changed. Any changes to the plan must then be posted. If employees object to the pay equity plan, or if they have complaints about an amended plan, they have a further 30 days to file a complaint with the Pay Equity Commission. If no objection is filed with the Commission after this review period, the plan is considered to be approved.

What about unionized workplaces?

In unionized workplaces, the employer and the bargaining agent will negotiate the job-comparison system and the pay equity plan for each bargaining unit. Once the employer and bargaining agent have agreed on a pay equity plan, the plan will be posted in the workplace and automatically considered to be approved. Pay equity plans do not have to be filed with the Pay Equity Commission.

When must employers make wage adjustments?

Employers must start to make adjustments on or before the mandatory adjustment dates in the pay equity timetable. However, these adjustments can be phased-in over time. All organizations must devote at least one per cent of their previous year's total payroll to make pay adjustments.

The one per cent per year phase-in may continue for private sector organizations until pay equity is achieved. Public sector employers must achieve pay equity within five years of the first wage adjustment date. The payout can be made in the form of salaries and wages, benefits, or both.

Employers may not reduce men's wages to achieve pay equity for women.

Where do I go for information or help?

The Pay Equity Commission has been set up to answer your questions. It is here to help employers, employees, and bargaining agents in both the public and private sectors achieve pay equity, and to resolve disputes concerning pay equity. The Commission has two parts: The Pay Equity Office and The Pay Equity Hearings Tribunal.

The Pay Equity Office organizes seminars, operates a hotline, and distributes information sheets like this brochure to tell employees and employers their rights and responsibilities under the law. It also provides conciliation services in situations where employers and employees can't agree on a pay equity plan, or where there is a contravention of the Act.

The Pay Equity Hearings Tribunal is a special body established to resolve pay equity disputes between employers and employees which cannot be settled either in the workplace or by the Pay Equity Office.

INFORMATION HOTLINES:

ONTARIO - WIDE (TOLL-FREE)

1-800-387-8813
1-800-387-8887

TORONTO AREA

481-3314
481-3315

For more information or advice, please contact:

THE PAY EQUITY COMMISSION

150 Eglinton Avenue East, 5th Floor
Toronto, Ontario
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Cette brochure est également disponible en français. Veuillez en faire la demande à la Commission de l'équité salariale, à l'adresse ci-haut.

Pay equity, by removing gender-bias from pay practices, will contribute not just to fairer and consequently more productive workplaces, but also to the creation of a society which treats women and men equally.

Pay equity can be achieved. And it can best be achieved through the co-operation of those affected. The Pay Equity Commission will give these groups the support necessary to comply with Ontario's pay equity legislation: policy and research; information and education; and, if necessary, conciliation and appeal.

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